GOVERNMENT OF INDIA
MINES
LOK SABHA

UNSTARRED QUESTION NO:4630
ANSWERED ON:30.03.2017
Minimum Import Price of Aluminium
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Will the Minister of MINES be pleased to state:

(a) whether the Government is aware that primary aluminium producers incurred losses of around Rs.4,025 crore in the last fiscal substantially higher than Rs.1,480 crore during 2014-15 and if so, the details thereof and the reasons therefor;

(b) whether China is exporting surplus quantities of aluminium to India amid weak domestic demand and if so, the details thereof;

(c) whether the Government is considering to take up this matter for imposing minimum import price on aluminium to protect the domestic industry; and

(d) if so, the details thereof?

Answer

THE MINISTER OF STATE (I/C) MINES, COAL, NEW AND RENEWABLE ENERGY AND POWER (SHRI PIYUSH GOYAL)

(a) As per study report on assessment of Minimum Import Price (MIP) for Aluminium in India, prepared by MECON Ltd., a Government of India enterprise, loss of primary aluminium producers was Rs.943/- crore during financial year 2014-15 which increased to Rs.4,283/- crore during financial year 2015-16. The reason behind this was an increase in production cost and slump in London Metal Exchange (LME) price of aluminium from average USD 2,317.50/MT in 2011-12 to USD 1591.82/MT in 2015-16.

(b) There was an increase in import from China amid weak domestic demand. The details are given as under :

Sl No.	ITEM	2013-14 (in MT)	2014-15 (in MT)	2015-16 (in MT)	2016-17 (Up to Dec' 2016) (in MT)
1	Primary Aluminium (HS 7601)	3,48,889	3,43,428	4,21,964	3,28,717
2	Other Aluminium Products (HS 7603-16)	2,77,853	3,82,398	3,81,102	2,94,770
3	Aluminium Scrap (HS 7602)	7,21,630	8,69,480	8,67,472	7,25,042
4	Total Imports (1+2+3)	13,48,372	15,95,306	16,70,538	13,48,529
5	Imports from China	1,60,927	2,23,651	2,34,072	1,73,201

(c) & (d) Representations for imposition of MIP on aluminium products have been received from Aluminium Association of India (AAI). This Ministry is making all possible efforts including considering imposition of Minimum Import Price (MIP) on certain categories of aluminium products to protect the domestic industry.

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